

THE PUBLIC HOUSING SECTOR MOVING TOWARDS 2030 - A CONCEPT PROGRAMME

TO BENEFIT MUNICIPALITIES, RESIDENTIAL AREAS AND TENANTS



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Preface

Public housing companies form part of the welfare society in Sweden. Although their mandate still involves building and managing rental housing for everyone, changes in the world around us have resulted in huge challenges for the public housing sector.

There is currently a housing shortage, particularly in growing cities and regions. The main difficulty in weak markets is coping financially with the limited new housing production required. Regardless of market, homes must also be affordable for families and individuals on low or average incomes.

Increasing housing segregation limits people's freedom and threatens social cohesion. The growing gulf between different parts of Sweden is a problem that must be addressed. The risk of conflicts will increase if Swedish society cannot resolve the housing shortage problem.

In our most recent history, the public housing sector has been vitally important for eliminating the housing shortage and raising the standard of dwellings. In addition to its core activity, the public housing sector, in cooperation with both public and private stakeholders, needs to develop its role as a community developer and facilitator in order to meet current challenges.

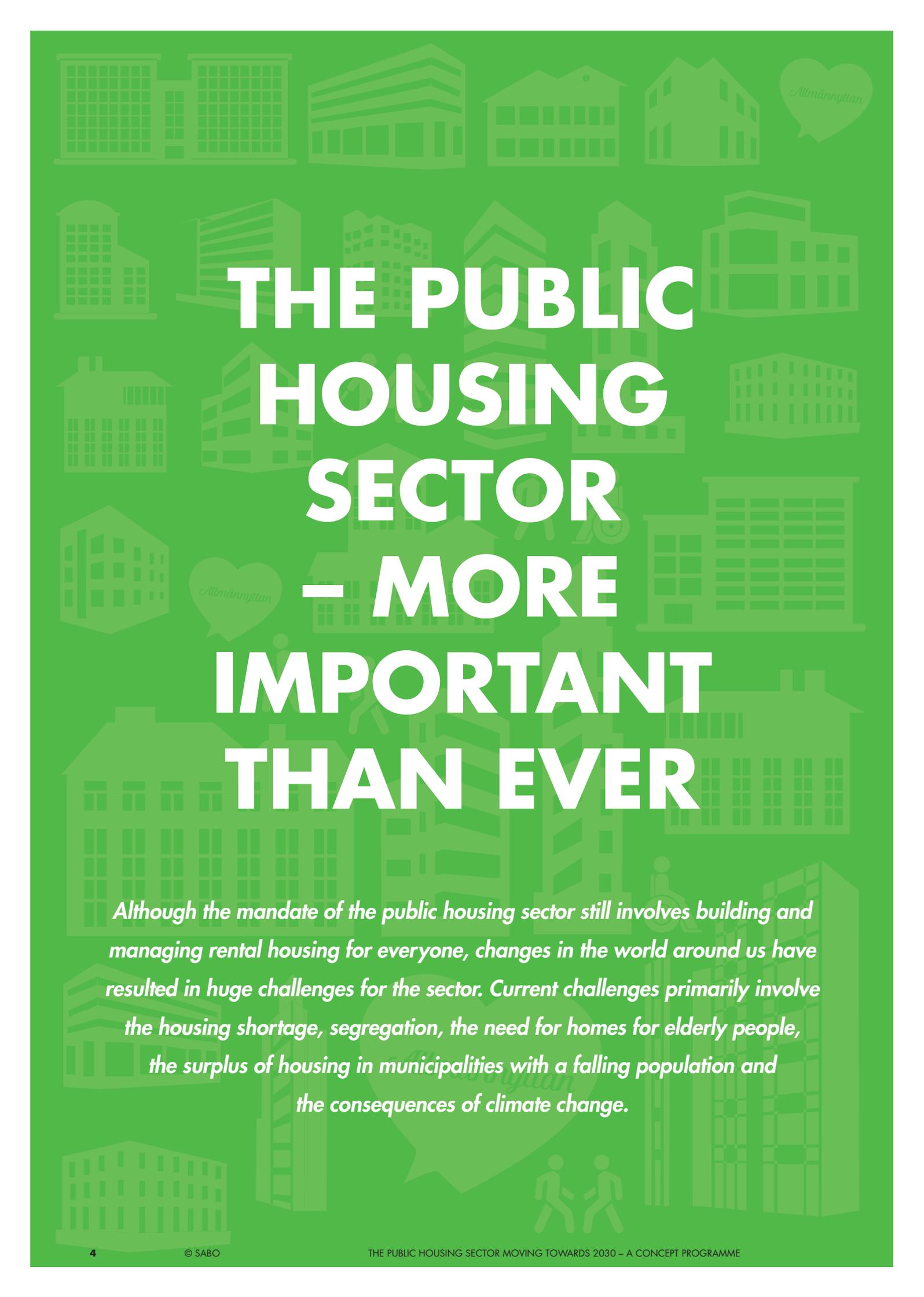
In a financially and demographically fragmented Sweden, however, there is no unified response to the question of what role the public housing sector is to play in building the society of the future. This answer can only be formulated on the basis of local conditions.

SABO, in dialogue with its member companies, has produced a concept programme entitled *The Public Housing Sector Moving Towards 2030* to support this work. This programme was adopted at SABO's Congress in April 2017. We hope that it will function as a source of inspiration for our member companies' strategic planning to develop their companies and housing, and also provide support during dialogue with the owner municipality. This concept programme also indicates what the collective public housing sector in Sweden currently represents and its direction.

A steering group, comprising members of the presidium of SABO's Board of Directors and its CEO, has led the work on the concept programme. This work has been monitored by a reference group, including representatives of all parties on the Board of Directors. Six CEOs of member companies have each led a sub-study into how the public housing sector can contribute to welfare and growth, quality of life, ecologically, economically and socially sustainable development and housing of the future. An analysis of the surrounding world has also been conducted, and the consequences of the *Allbo* Act (Public municipal housing companies act) from 2011 were analysed in a separate study. Discussion material also accompanies the concept programme. All of this can be downloaded free from www.sabo.se.

We would like to express our sincere gratitude to all elected representatives, CEOs and staff at SABO companies, SABO's Board of Directors, SABO's Central Office staff and also the external contractors and stakeholders who have contributed in various ways to the concept programme.

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THE PUBLIC HOUSING SECTOR – MORE IMPORTANT THAN EVER

Although the mandate of the public housing sector still involves building and managing rental housing for everyone, changes in the world around us have resulted in huge challenges for the sector. Current challenges primarily involve the housing shortage, segregation, the need for homes for elderly people, the surplus of housing in municipalities with a falling population and the consequences of climate change.

THE HISTORIC MISSION

Public housing companies form part of the welfare society in Sweden that emerged after the Second World War. Their mission was to offer good housing to everyone at a reasonable cost, regardless of income, origin, age and type of household. This was a conscious decision in favour of integration and opposed the poor/rich divide, where those who were unsuccessful in the housing market were referred to social housing of the simplest standard.

THE ECONOMIC LANDSCAPE HAS CHANGED

Today Sweden looks quite different to how it did 70 years ago. Productivity per hour worked has quadrupled. Our industrial society has been transformed into a service and knowledge society. Our population has become increasingly well-educated and multicultural. These changes have also brought extensive structural rationalisations and urbanisation. Our major cities and populous regions have grown while the population has reduced in many rural municipalities and manufacturing areas.

INCREASED MOBILITY AND COMPETITION

National borders have become less important largely due to a globalised economy and the EU objectives for free movement and competition. National perspectives and regulatory systems are no longer predominant. Although increasing globalisation has contributed to increased wealth, it has also presented us with huge challenges. At the same time there are also forces counteracting globalisation and free movement. In our working life we see changes towards automation, fewer permanent jobs and increased telecommuting. There is a tendency for the line between work and leisure to be blurred for many people.

There is much to suggest that this development will continue. The preconditions are in place for the general economic standard to continue to improve. However this requires even more knowledge-intensive activities and technological development. Nor is it a given that everyone will benefit from the increase in standard. A precondition for sustainable economic development is that social development keeps pace with ecological responsibility.

A GROWING AND INCREASINGLY HETEROGENEOUS POPULATION

It is estimated that Sweden will have around 11.5 million residents by 2030, according to Statistics Sweden. Sweden is facing a continued trend towards a larger population, including an increasing number of people with a foreign background. The rapid increase in population in the growing cities has resulted in increased overcrowding, primarily in those areas and districts with a high proportion of immigrants.

Society is becoming increasingly polarised, with a growing divergence between people's conditions and between different parts of the country. On average we are living for longer and are healthier physically, although mental illness is tending to increase. The proportion of people living on their own is increasing. The traditional nuclear family does not dominate as before. Divorces and new relationships mean that many children are moving between homes.

Values and desires are also changing as society develops. Individualistic values have grown at the cost of collective values. A growing number of individuals have both the determination

and strength to implement their own plans for their lives as envisaged. There is an increasing variation in the perception of what is 'good housing' and a 'good resident'.

FEWER PEOPLE WILL BE SUPPORTING MORE

At the same time, the composition of the population is changing slowly but surely. The proportion of elderly people is increasing and thus also the demand for suitable housing. This will become particularly pertinent as the large age groups born in the 1940s reach their eighties. However, the baby boomers born in the 1990s already need to move into their first homes. The increased proportion of elderly people and baby boomers means a reduction in the proportion of the population in gainful employment – fewer people will be supporting more.

CLIMATE CHANGE IS A REALITY

Greenhouse gas emissions have a significant impact on the climate. If no changes are made, the average temperature of the Earth will increase by up to four to five degrees in the 21st century according to the IPCC. Sweden does not lie within any of the areas where the impact will be greatest, but there is a risk that climate change will have a number of negative consequences in our country. These include, among other things, floods, coastal erosion and storms, which will entail increased property maintenance and construction costs.

The 2015 Paris Agreement set a target of a temperature increase of no more than two degrees during the 2000s. For Sweden to live up to this accord, the climate issue must permeate all of our activities, particularly within the construction and property sectors, which are currently responsible for a significant proportion of greenhouse gas emissions.

AN UNCERTAIN WORLD AROUND US

It is difficult to predict social and political changes, both nationally and internationally. However, there are trends that are a source of great concern and uncertainty. War, terrorism and natural disasters leave their mark on society in several ways and may result in migration of a scope previously unseen. There are also trends towards increased conflicts and tensions between different groups in society and between nations. There are growing sentiments that threaten to reverse the improvements in increased openness and cooperation that have characterised Europe in recent decades.

HUGE CHALLENGES

The changes in society mean that the public housing sector is facing huge challenges. There is a housing shortage, primarily in growing cities and regions. Housing must also be affordable for families and individuals on a low or average income. There is a risk of households in a precarious financial situation ending up outside the ordinary housing market. The large number of immigrants will have a significant impact on municipal authorities and their housing companies for several years ahead.

Increasing housing segregation limits people's freedom and threatens social cohesion. The

housing surplus in weak markets is not just the case right now, but will also continue in the long run. Furthermore, it will be very difficult to finance the limited new housing production still required. At the same time the increase in the demand for accessible homes and care services for the growing elderly population is rising faster than the municipal authorities' resources. The growing gulf between different parts of Sweden is a problem that must be addressed.

THE PUBLIC HOUSING SECTOR – A LOCAL COMMUNITY DEVELOPER

The risk of conflicts will increase if Swedish society cannot resolve the housing shortage problem. Finding a home is a problem for many groups in society, with different interests pitted against one another. In Sweden's most recent history, the public housing sector has been vitally important for eliminating the housing shortage and raising the standard of dwellings. Today the economic, social, ecological, cultural, political and legal circumstances have changed. The challenges are new and difficult. However, good housing for everyone is particularly important in a welfare state, and the public housing sector can shoulder its share of responsibility under the right conditions.

In addition to its core activity – building and managing rental housing for everyone – the public housing sector, in cooperation with both public and private stakeholders, needs to improve its role as a community developer and facilitator in order to meet these challenges. Sweden's increasing economic and demographic differences mean that the preconditions for building society vary. The objectives for individual housing companies must therefore be formulated jointly by the municipal authority and the company based on the local circumstances.

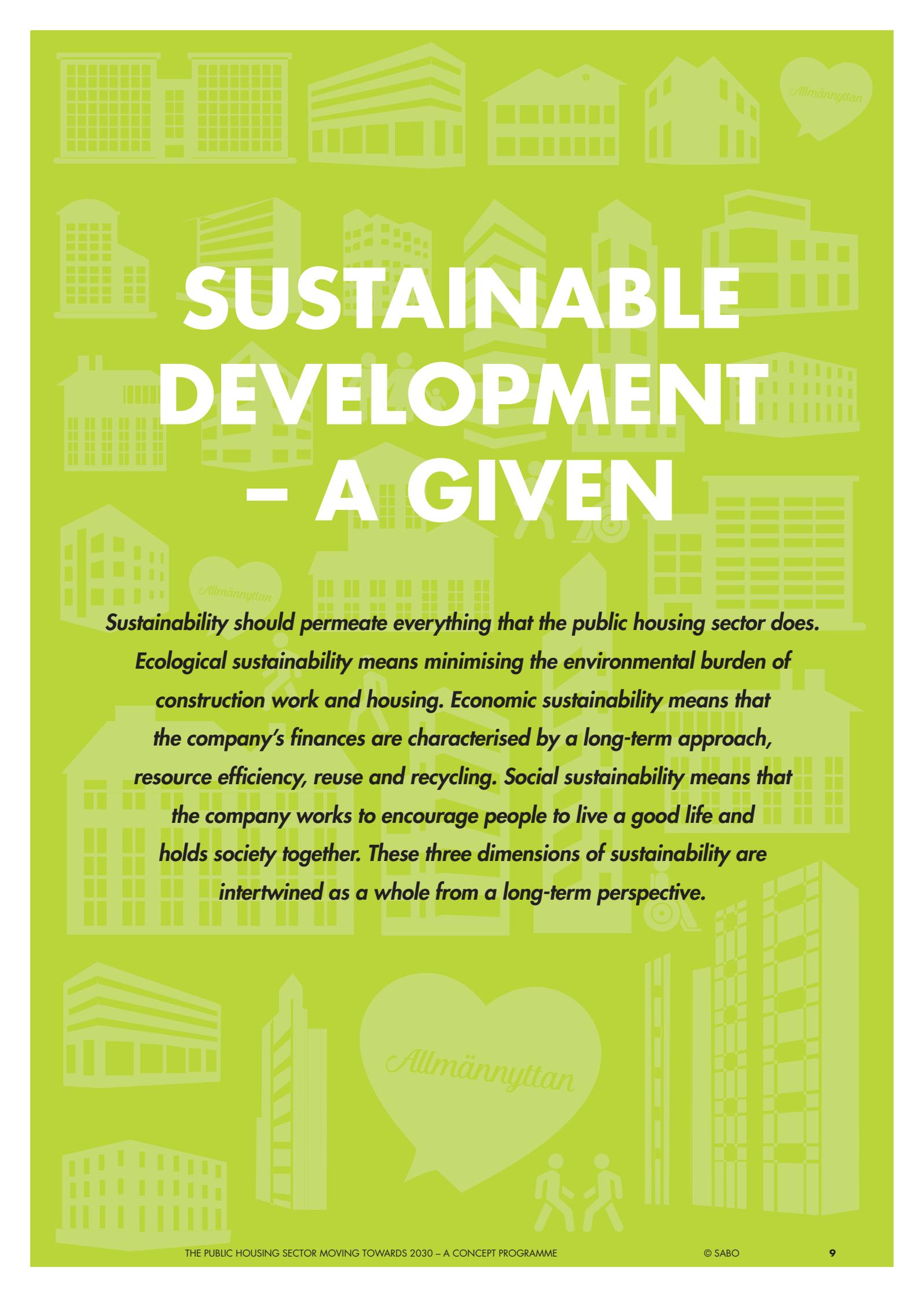
THE ALLBO ACT HAS BROKEN NEW GROUND

The *Allbo* Act (Public Municipal housing companies act), which entered into force in 2011, constitutes an important precondition for the activities of the public housing sector. It is stated in the preparatory works preceding the *Allbo* Act that the overall purpose of a public housing company is the provision of housing in the municipality. This includes satisfying different housing needs; i.e. not just groups with special needs or those who are in a weak position in the housing market for various reasons, but also providing a varied supply of good quality homes that can attract different tenants. Societal responsibility forms part of a municipal housing company's public service mission. This may involve ethical, environmental and social responsibility and is expressed through measures that are expected to increase long-term profitability.

The *Allbo* Act describes these companies as municipally owned companies with a public service responsibility that mainly manage properties in which residential apartments are let through tenancies, promote local housing supply and offer tenants the opportunity to participate in and influence the company. The Act also states that activities are to be pursued according to 'business-like principles'. This means first that companies should not be afforded any special advantages by their owners that benefit them financially in relation to private competitors, second that the company should also proceed on the basis of what is in the long-term best interest of the company, for the very reason that housing management is a long-term activity.

The requirement to employ business-like principles does not prevent companies from assuming societal responsibility. Without a long-term perspective on the profitability of its activities, a company's finances would deteriorate and thereby also its opportunities to assume societal responsibility, develop the company, construct new buildings and ultimately pursue any activity at all. The public housing sector has a large local scope for action, and it is the objective of the municipal authority and ambitions of the company that determine what will fill this scope.

Taken overall, the *Allbo* Act has clarified the relationship between the housing companies and their owners. There has been an increased emphasis on business-like principles while it has been made clear that benefits to society can go hand in hand with business-like principles.



SUSTAINABLE DEVELOPMENT – A GIVEN

Sustainability should permeate everything that the public housing sector does.

Ecological sustainability means minimising the environmental burden of construction work and housing. Economic sustainability means that the company's finances are characterised by a long-term approach, resource efficiency, reuse and recycling. Social sustainability means that the company works to encourage people to live a good life and holds society together. These three dimensions of sustainability are intertwined as a whole from a long-term perspective.

The three dimensions of sustainable development

Sustainable development is the kind of development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Guidance is provided by the UN Agenda 2030 for Sustainable Development, which has been approved by and applies to Member States. The public service mission for housing companies includes societal responsibility.

This includes promoting environmental, economic and social sustainability.

The environmental dimension embraces everything related to the planetary ecosystem and involves reducing environmental impact and resource consumption. The economic dimension includes economic growth and involves creating value and managing resources. The social dimension includes well-being, justice, influence, rights and the individual's needs and involves promoting inclusion and social cohesion.

A precondition for environmental sustainability is to first reduce the climate and environmental burden and second to manage the risks ensuing from damage that has already occurred – such as floods, extreme heat, cold and storms. A precondition for economic sustainability is that the housing company is run with a surplus that increases its solidity and enables it to both build new homes and maintain and renovate its existing stock. A precondition for social sustainability is that there are good homes for everyone at a reasonable cost in well-integrated communities.

These three dimensions of sustainable development are interdependent on and support each other. Environmental and social sustainability are essential for sustainable economic development. There is a risk that ecological and social shortcomings will ultimately have a negative impact on a company's finances. A strong and sustainable economy is required to make the investments required to create environmental and social sustainability. However, conflicting objectives may arise and require compromise and trade-offs. Working to achieve sustainable development involves intertwining these three dimensions into a whole from a long-term perspective.

ENVIRONMENTAL SUSTAINABILITY

The negative environmental impact and waste of resources that have prevailed in recent decades are unsustainable. Knowledge and awareness of the problem has grown recently. A number of initiatives to reverse this trend have been taken both internationally and nationally.

The European Union is pushing to reduce energy use in Member States and for a circular economy. This means that the value of different products is retained as far as possible within the economy and where these products are reused or recycled to generate further value when they reach the end of their lifecycle. The EU Climate Objective for 2030 is to reduce greenhouse gas emissions by 40 per cent compared with 1990 and for the proportion of renewable energy to be at least 27 per cent.

To achieve the targets set, all activities need to be characterised by a responsibility for the climate and the environment. The construction and property sector is accountable for a significant part of the environmental burden and has a great responsibility as well as significant opportunities to contribute to a better environment. The requirements for environmentally sustainable construction and housing are increasing and the public housing sector could set a precedent in this area.

ECONOMIC SUSTAINABILITY

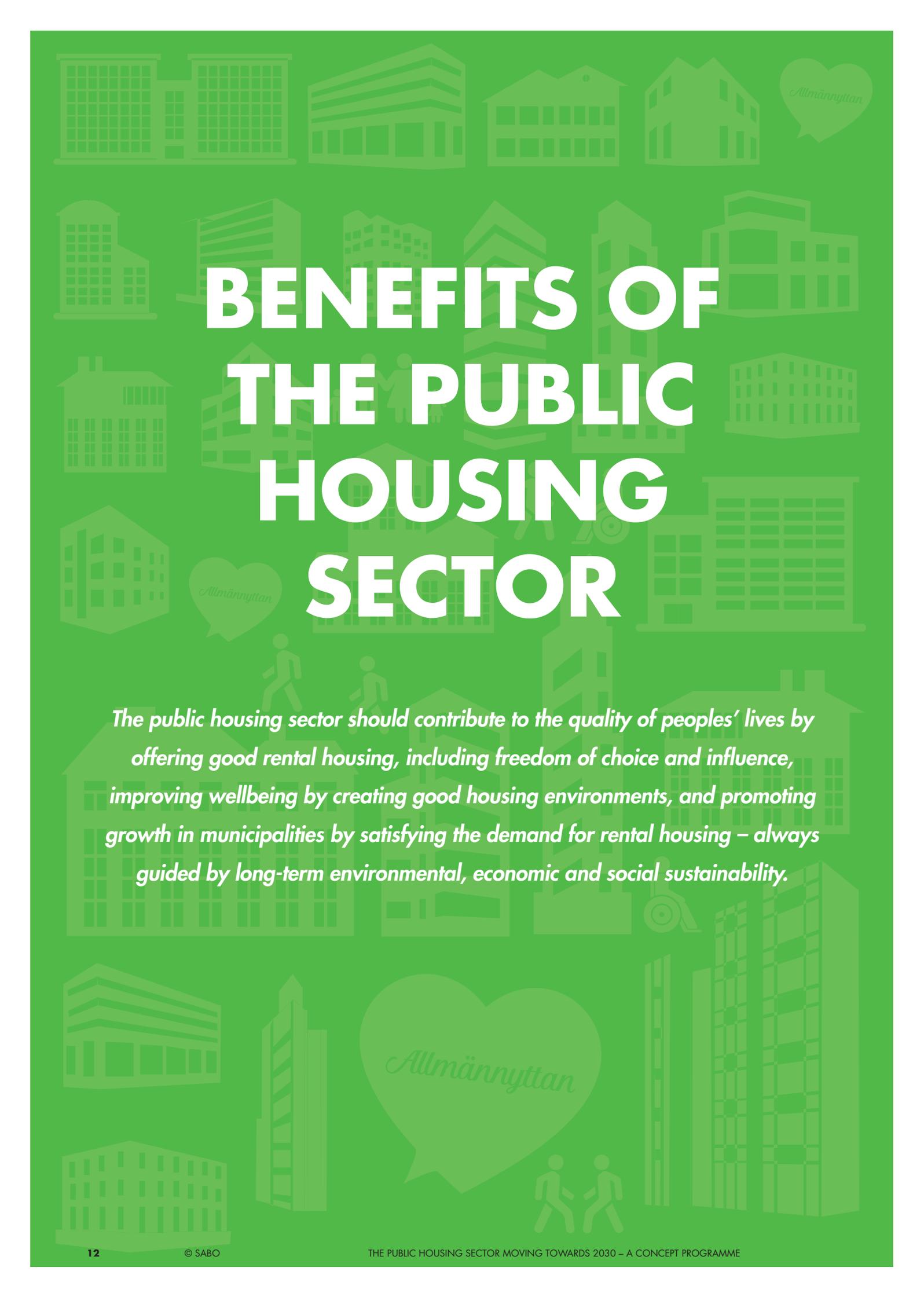
A precondition for economic sustainable development is that housing companies generate a surplus that can be used to develop their activities and prepare them for future occurrences and stresses. A change from a linear to a circular approach is required for their finances to be reconciled with ecological sustainability. This means an efficient use of resources, the value of which is preserved through a long period of use and opportunities to repair, reuse and recycle goods and materials. Such an approach must permeate both the construction of new housing and renovation work and management. A long-term profitability perspective should characterise activities as well as the requirements in respect of returns imposed on the company.

SOCIAL SUSTAINABILITY

A characteristic feature of a sustainable society is for people to live a decent life in good health without inequitable differences between people. A sustainable society can cope with stresses and has the capacity to recover after crises as well as being open to change. Other characteristics are tolerance, a perception of the equal value of human beings, trust between people and participation in the development of society. Social sustainable development deals with both the current situation and those processes that mould social conditions for future generations.

The way in which Swedish society is changing is affecting social development. Globalisation, urbanisation, migration and digitalisation have positive effects but also involve stresses for individuals and society. Tensions are created by unequal living conditions, growing differences between high and low skilled people, different values and different capacities to assimilate new technology.

Housing is one of the key elements of people's lives and therefore the actions of housing companies are of significant importance to development. The public housing sector should help people to live a good life and hold society together.



BENEFITS OF THE PUBLIC HOUSING SECTOR

The public housing sector should contribute to the quality of peoples' lives by offering good rental housing, including freedom of choice and influence, improving wellbeing by creating good housing environments, and promoting growth in municipalities by satisfying the demand for rental housing – always guided by long-term environmental, economic and social sustainability.

The primary task of a public housing company is to contribute to the provision of housing in the municipality. This includes satisfying different housing needs. It involves both providing a varied supply of good quality homes that can attract different tenants and offering housing to people with special needs or who are in a weak position in the housing market for various reasons.

Public housing companies are community developers that contribute to environmental, economic and social sustainability. A feature common to public housing companies across Sweden is that they offer three levels of public utility:

TENANT AND INDIVIDUAL LEVEL

Public housing companies offer good rental housing for everyone – regardless of income, origin, age and type of household – at a reasonable cost, including choices and tenant participation, thereby contributing to an individual's quality of life.

DISTRICT AND RESIDENTIAL AREA LEVEL

Public housing companies are drivers for area development, thereby contributing, together with other stakeholders, to well-being in the form of vibrant neighbourhoods and stable and secure residential areas.

MUNICIPAL AND REGIONAL LEVEL

Public housing companies are long-term and competitive stakeholders in the housing market that build and manage rental housing, thereby contributing to the growth of the municipality and region.

Everyone needs a home

The public housing sector assumes a social responsibility for housing by offering dwellings that enables all tenants to have a functional life. Variation, mix and flexibility are required when the dwelling become more than just a dwelling and there are changing family types, interests, priorities and lifestyles. Living in a rented flat should be convenient, with an opportunity to influence if desired.

A HOME IS MUCH MORE THAN A DWELLING

Everyone needs somewhere to live for a functional life. Needs, desires, dreams, interests, willingness and capacity to pay change over one's lifetime and between different people.

The home has always been a place for relaxation and recreation, where you can gather energy for your day's work, studies and other activities. However, it is currently becoming so much more. Digitalisation enables interactivity and participation, which means that homes can function as a kind of workplace, school, business, healthcare centre, hospital, bank, meeting place, cultural centre and amusement park.

A dwelling not only has a practical function but is also a home. Everything from your immediate residential environment, layout, equipment, fittings, terms of agreement and the opportunity to make your own decisions are significant to the feeling of being at home, which is so important to your sense of comfort, wellbeing and security. Tenants want to furnish and equip their homes according to their own needs and to express who they are. Today, tenants of rental properties already enjoy great scope for putting a personal stamp on their home, although this scope could be improved.

VARIATION AND FLEXIBILITY

Demographic trends indicate that the number of households is growing in Sweden. The proportion of one-person households is increasing for all ages. The nuclear family – which may be both small and large – will continue to be common. At the same time, the proportion of new and varied family types will increase and thereby also the number of children moving between the homes of their separated parents. There will be many younger people who want to live on their own but have limited financial resources. Homes will also be required for the large number of people granted residence permits.

Increasingly changeable household types, desires, lifestyles and resources mean that homes of different sizes, standards and rents are required. Varied, mixed and flexible layouts are also important. Freedom of choice and variation are increasing, as are construction costs, which affects rents. We will need to find the right balance considering the local market.

Those reaching retirement age are healthier than previous generations and are also living longer. A growing number also work longer. A growing group of elderly people – often living in small, self-contained houses – will request a convenient apartment where they can live for the rest of their lives. Many elderly people are well placed to become involved in where they live while other will

need various forms of support and care in their own homes.

The task of the public housing sector is to offer good rental housing for everyone – regardless of income, origin, age and household type. However, changeable individual preferences and values require a wide and varied range in terms of location, building type, room division, equipment, standard and rent levels and also the possibility of options. Rents also need to be set on the basis of how tenants generally consider the utility value of dwellings. ‘Utility value’ means the sum of the apartments’ properties, such as size, layout, standard and equipment, of benefits such as lift and quality of the property owner’s management and service, and also other factors such as location, immediate residential environment and proximity to services and public transport.

Housing companies can make it easier for tenants to move within their housing stock, thereby optimising use of the stock. Internal transfer queues may make it easier to move to a more suitable home when a household increases or reduces in size or when a tenant gets a new job or enters a new phase of their life.

The task of building and managing rental housing for everyone does not preclude the public housing sector also building for special groups or interests. This may, for example, involve senior citizen housing, apartments leased as cooperative tenancies or homes designed together with prospective tenants.

CONVENIENT HOMES WITH AN OPPORTUNITY TO INFLUENCE

Being able to influence your life, have a sense of belonging and be placed in a context are important aspects of social sustainability. Public housing companies can foster people’s participation by offering opportunities to influence their own homes and housing.

Many people choose to live in rental housing because it is a trouble-free form of housing without any personal responsibility for service and maintenance. Other tenants want to really get involved and influence their housing and perhaps also assume responsibility. The public housing sector welcomes both groups. There is consequently a need for the potential to have an influence and impact if and when desired by a tenant.

Tenants may be given the opportunity to contribute with their own work, thereby reducing their housing costs. Some tenants want to be able to choose or purchase services linked to their homes from or through their landlord. Therefore new business models and forms of contract need to be developed.

SOCIAL RESPONSIBILITY

It is of particular importance from a landlord’s perspective that households can pay their rent. However, a precondition for responsible home rental is to conduct an individual assessment of the ability of each housing applicant to pay. Unjustifiably high requirements should not be set.

Offering everyone good rental housing also means offering homes to individuals who find it difficult to enter the ordinary housing market on non-economic grounds. This is often done in cooperation with the municipal authority, for example, in the form of a municipal contract that – if the dwelling is looked after well and functions – converts into a normal rental agreement after a certain period.

Households may for various reasons temporarily need support in the form of information, education and training, advice or initiatives to prevent eviction in cooperation with the

municipal authority. Such measures promote socially sustainable development.

Other social measures – such as acting as an intermediary or offering work and work experience, arranging help with homework, summer jobs and activities for young people – also contribute to quality of life and integration, while strengthening the company in the long-term.

HOMES OF THE FUTURE

Changes are taking place in how tenants use their homes. Many households are purchasing new equipment and things that require greater storage facilities. Others are opting for a minimalistic lifestyle, limiting superficial needs. Digitalisation simplifies and reduces the need for bulky technical equipment. Housing companies should function as facilitators for tenants in the area of digitalisation.

The preconditions for an environmentally friendly dwelling are created in various ways. Properly functioning and cost-efficient waste management systems make things easier for tenants, reduce environmental impact and promote recycling. Proximity to services, public transportation systems, charging points and cycle routes can reduce dependency on means of transport that put stress on the climate. The production of goods can be reduced by facilitating both co-use and reuse. Information and inspiration may show the benefits of a climate-smart and sustainable lifestyle.

The technical and financial opportunities for adapting homes to future requirements are greatest when building new properties. However, future homes have largely already been built and designed on the basis of what households and society were like at the time they were being built. It will take time to adapt the stock; sometimes it might be appropriate to make alterations in conjunction with renovation work but otherwise this must be done in those steps that are possible.

PUBLIC HOUSING COMPANIES CAN CONTRIBUTE TO QUALITY OF LIFE AT THE TENANT AND INDIVIDUAL LEVEL BY:

GOOD HOUSING

- Offering tenants good quality homes but with different standards and rents.
- Ensuring that good quality servicing and repair work is carried out quickly.
- As clients for the construction of new housing, and if possible in conjunction with renovation work, ensuring homes, buildings and the immediate residential environment offer good accessibility and are designed in a way to suit all tenants, regardless of age and physical capacity, and also making it possible to provide care services in the home with technical support.
- Incorporating open and operator-neutral infrastructure for modern information technology and facilitating wireless communications and mobile coverage in buildings.
- Making it easy for tenants to move within the stock to a home that is better adapted to the household than their current home.
- Offering tenants the opportunity to choose between various levels of standard and thus rent levels in conjunction with renovation work.

GOOD RELATIONSHIPS WITH TENANTS

- Promoting participation and influence through direct relationships with tenants.
- Maintaining good relationships with tenants by giving front-line staff a key role, focussing on everyday dialogue.
- Offering digital services for communication with tenants in terms of, for example, servicing and tenant influence.
- Offering tenants a good introduction and informing them of the opportunities and obligations of tenants.
- Basing customer relations on a well-established code of ethics and formulating procedures to ensure that there is no form of discrimination within the company's activities.

HOUSING SOCIAL RESPONSIBILITY

- Providing a varied supply of good quality homes that can attract different tenants and offering homes for people with special needs or those in a weak position in the housing market for various reasons.
- Preventing rent arrears from arising and thus reducing the risk of eviction.
- Making it easier for homeless people to enter the housing market by providing homes in cooperation with municipal authorities.
- Drawing up clear rules for who should be given priority when renting apartments.
- Working together with associations and tenants to prevent violence in close relationships and assisting in meeting the housing need to which this may lead.

HOMES FOR ELDERLY PEOPLE

- Offering types of building and tenure for elderly people, such as sheltered housing, housing for senior citizens, community living and similarly inter-generational housing.
- Enabling those who want to remain living in their existing homes to do so if this involves having to take simple measures.
- Cooperating with municipal authorities on matters relating to housing and care for elderly people and offering or acting as an intermediary for home-based services.

DEVELOPING NEW FORMS OF TENANCY

- Finding out how tomorrow's tenants want to use their homes so that they can be built or adapted to function for modern dwelling habits and changeable family situations.
- Introducing a larger service content to tenancies by offering services that meet the needs of tenants and their willingness to pay.
- Offering tenants individually tailored tenancy agreements with individual tenancy conditions, equipment and services.

- Offering tenancies to part of an apartment ('buddy contracts') for those wishing to live together without being a family.
- Cooperating with people who, based on common aspirations ('building communities'), are jointly planning then living in a building that can be leased through cooperative property tenancies.
- Making it easier for and encouraging tenants to live in a way that minimises environmental impact, for example, through 'green tenancy agreements' where the tenant undertakes to live in the most environmental friendly way possible.

Safe, accessible and attractive neighbourhoods and residential areas

The public housing sector is working to create safe, accessible and attractive neighbourhoods and residential areas with good access to services as well as a wide variety of housing types and forms of occupancy to suit different households. This requires cooperation with other local stakeholders and giving tenants the opportunity to influence their immediate residential environment and participate in local development.

RESIDENTIAL AREAS PLAY A KEY ROLE IN PEOPLE'S WELFARE

It is fundamental that residential areas are clean, well-maintained, safe and pleasant so people can feel good and take pride in them. No-one's residential environment should make them hesitate before inviting friends and acquaintances home. Being able to influence your own residential environment is an important precondition for many people to thrive and feel good.

Well-kept and pleasant courtyards and outdoor environments, which are physically accessible, attractive, spacious and safe to spend time in, have a considerable value for all tenants but are particularly important for elderly people and people with disabilities. They are also important for children, who do not usually roam far from home. The experiences and insights that children acquire from their residential area are something they take with them throughout their lives. There needs to be a child perspective when creating new outdoor environments and upgrading existing ones.

The design of courtyards, and similarly access to nearby green areas, plays a crucial role from a health perspective. Environments that inspire physical activity help to improve public health and contribute to people's welfare.

THE REPUTATION AND IDENTITY OF A LOCATION IS IMPORTANT

For a functional daily life it is important for there to be access to services, a good range of shops, good schools and childcare and also good public transport links in the district. There is also a need for easily accessible and safe places for people to meet for spontaneous sport and gardening, for meetings and study circles, to eat and drink and for other activities.

Different forms of artistic decoration and similarly good architecture, combining form and function, help to increase the visibility of an area and enhance its reputation and attractiveness. Involving residents in learning about the history of the area can strengthen the community between residents.

A DIVERSITY OF HOMES IN THE SAME AREA AND DISTRICT

There is an increasingly large variation of lifestyles, needs and desires among today's households and households of the future. Therefore a wide range of homes is required to give households the opportunity to find suitable housing throughout their lives. There needs to be several forms of occupancy, as well as different kinds of home of varying standards, in the same neighbourhood, residential area and district. This promotes integration and increases the opportunities for people with different backgrounds and incomes to meet. Future changes in demand require the housing stock to be more flexible, both in terms of new buildings being constructed and when existing stock is being converted.

LOCAL COOPERATION TO DEVELOP TOWNS, CITIES AND AREAS

Many public housing companies are involved in significant physical and social ventures to increase security and social cohesion in residential areas. This may include neighbourhood safety surveys, planting areas, festivals, cultural and art initiatives and also leisure activities.

Housing companies can be drivers for local development, collaborating with public stakeholders, such as schools, social services and the police, as well as private stakeholders, such as sports and cultural associations, adult educational associations, religious communities, business operators, private property owners and tenant-owner associations. Of course, tenants must be involved in the work involving area development, safety and security. The support that those involved tenants give each other, and the trust created, give more people the courage to be standard bearers and set boundaries.

ALL AREAS OF TOWNS AND CITIES SHOULD BE ACCESSIBLE AND ATTRACTIVE

Segregation is an increasing problem, particularly in growing areas. Physical and social barriers must be removed to reduce segregation and promote integration between residents. Housing with various forms of occupancy should be available in all neighbourhoods. Good public transport and other infrastructure, properly functioning local squares and centre facilities, good public services, schools, workplaces and recreational facilities are required to make all parts of a town or city accessible and attractive. A precondition for this is that all responsible stakeholders work together and pull in the same direction.

Various measures can be used to develop neighbourhoods and residential areas with a variety of types of housing, tenure and building and rent levels, such as constructing new rental apartments and other forms of occupancy, renovating existing stock, changing forms of occupancy and also purchasing and selling properties.

OPPORTUNITY FOR TENANTS TO INFLUENCE AND BECOME CO-CREATORS

Tenants are a resource and it is important to make the most of their involvement and knowledge of the area.

By giving residents the opportunity to influence, they become co-creators in the development of their neighbourhoods and areas. Developing forms for tenant participation are part of the public service mission and will become an even more important task in the future. This involves influencing day-to-day management and administration and also when

new buildings are being constructed and existing buildings renovated. It should be possible for young people, elderly people, people with disabilities and people with roots in other countries to communicate their views. A spectrum of opportunities for influence and solutions should be offered, both for those wanting to get involved and those who choose to live in rental housing so that they do not have to get involved.

There are also tenants interested in contributing small but important work efforts in their residential area in return for a slight reduction in rent. This may involve, for example, looking after planting, cleaning and being part of the neighbourhood watch. Such initiatives may be of great importance to the stability, security and safety of a residential area.

OPPORTUNITY FOR TENANTS TO SHARE RESOURCES

The population increase and rapid urbanisation has meant that a growing number of households are living more closely together in a smaller space. The increase in construction means that the density of many districts is increasing. This means that courtyards and outdoor environments need to be designed in a more flexible way so that they can be used in different ways during the day.

Tenants are showing an interest in sharing facilities such as tools, implements, vehicles and guest bedrooms. The primary task of housing companies is to function as facilitators for such activities, but this does not impede tenants sometimes having access to the company's resources.

At the same time, there has been an increased interest in gardening and looking after the maintenance of communal areas, something that also helps to increase the sense of community and participation in the district. Digitalisation provides a growing number of opportunities to work from different locations. This in its turn can increase the need to share work spaces and the demand for meeting places in the residential area.

CLIMATE SMART TRANSPORT AND TRAVEL

To reduce our dependence on cars, the public housing sector can work together with other stakeholders to promote the good provision of public transport. Housing companies can also assist by providing secure, adjacent cycle parking, safe cycle and footpaths and access to car pools. When we are building new residential areas, they should be built adjacent to existing infrastructure for environmental reasons.

PUBLIC HOUSING COMPANIES CAN CONTRIBUTE TO WELFARE AT THE DISTRICT AND RESIDENTIAL AREA LEVEL BY:

GOOD MANAGEMENT

- Carrying out high-quality caretaking in a cost-effective way, including good servicing and maintenance of the properties' communal areas and outdoor environments.
- Working to minimise disruptions at properties.

- Striving for zero tolerance in respect of malicious damage in common areas and outdoor environments.
- Reducing energy use and making energy use more efficient for operation, management and maintenance.

VIBRANT NEIGHBOURHOODS

- Working with other stakeholders to bring life to local squares and centre facilities, including services and meeting places adapted to the needs of residents where it is safe to visit and meet.
- Creating multifunctional communal areas and outdoor environments that are pleasant and safe and provide a meeting place for all tenants.
- Leasing premises for help with homework, language cafes, study circles and similar activities.
- Building sporting grounds that can be used for various activities.
- Promoting a small-scale mix of businesses and strengthening trade and services through, for example, a combination of dwellings, shops and offices within the same building.
- Together with other property owners, developing and formalising local cooperation relating to management, maintenance and co-use of outdoor environments and also security work.
- Increasing the density of low-density residential areas to achieve a wider variation of housing types and forms of tenancy.

SUSTAINABLE LIFESTYLE

- Making it easier for tenants to reduce their dependency on cars, enabling them to travel and transport goods in an environmentally friendly way.
- Making it easier for tenants to share expensive tools and equipment that are seldom used.
- Making it easier for tenants to garden in the residential area.

INFLUENCE AND PARTICIPATION

- Developing forms of participation, co-creation and dialogue with tenants relating to management, care and maintenance.
- Involving tenants in the work on safety and security issues in the neighbourhood's outdoor environments and local centre.
- Actively helping to create job opportunities for unemployed tenants through, for example, social clauses when procuring contractors.

Economic growth requires housing

The public housing sector has a key role to play in the growth of municipalities and regions. Good access to housing – particularly rental housing – is crucial for positive development. A concentrated effort is required to eliminate the housing shortage. At the same time the problem of surplus housing in weak markets must be addressed. Increased regional cooperation is required. A differentiated supply of good quality homes with a small environmental impact is sustainable in the long-term.

HOMES ARE FUNDAMENTAL TO GROWTH

The provision of housing is of great importance to growth. Access to housing – and particularly rental housing – in those districts and regions where there are job and educational opportunities represents a precondition for development and growth. It is also necessary to have access to homes in all municipalities to enable staff to be recruited for both knowledge and service professions and other operations conducted by public or private operators.

RENTED PROPERTIES AND THE PUBLIC HOUSING SECTOR PLAY AN IMPORTANT ROLE

The advantages of rented properties, in the form of a high level of service, foreseeable housing expenses, lack of capital risk and the ease of moving in and out – at the same time as they free up time and can promote gender equality – mean that they could play a key role in the housing market of the future. More rental housing is required in an increasingly mobile labour market and to enable people to live where they are studying.

A strong and properly functioning public housing sector is a municipal asset for development and welfare and to combat segregation. Public housing companies can make a difference in municipalities. Having their own public housing company can give municipal authorities opportunities to operate in the local housing and labour market to strengthen the municipality's development in the increasingly tough competition for job opportunities and labour.

URBANISATION AND REGIONALISATION BRING HUGE CHALLENGES

Urbanisation has been ongoing throughout the last century and will probably continue in the future. Its consequences are great although they differ widely between growth areas and districts with weak markets.

Larger districts and populous regions are growing not just because of population movements within Sweden. They also account for most of the natural growth and

immigration from other countries. The diversity of towns and more plentiful supply of job opportunities, education and training, goods, services and culture are strong driving forces behind demographic change and settlement patterns.

Urbanisation is resulting in a reverse trend in districts with a declining market in around one third of Swedish municipalities. The number of job opportunities and population are falling while the proportion of elderly residents is increasing.

There are significant regional differences throughout Sweden, which will probably increase in the future. This trend may be curbed by rolled out communications, digitalisation and opportunities to telecommute.

Regionalisation means that regions develop as joint, increasingly large labour and housing markets. Municipal borders are less relevant. There is much to suggest that this development will be strengthened and that there will be competition for job opportunities, labour and educational opportunities at the regional level.

HOUSING SHORTAGE IN GROWING AREAS

The housing shortage is the overriding problem in growing municipalities. An important task for the public housing sector in these districts is thus to build new rental properties. Another important issue is to combat increasing segregation.

A major challenge for the public housing sector is coping with the extensive construction of new housing at the same time as large parts of the existing housing stock need to be renovated and adapted to the climate.

The problem is not just the shortage of homes. Most of the growth in major cities is accounted for by people with limited financial resources. Young people wanting to live on their own, students and immigrants are finding it difficult to afford the housing expenses that apply for new properties. Vacancy chains are thus of great importance to the availability of housing for these groups.

Mobility needs to increase by better matching homes with needs. The public housing sector can help to free up large homes for families with children by offering attractive alternatives for the elderly population.

A long-term, integrated policy that dismantles barriers and creates opportunities for more continuous construction work over several consecutive years will address the housing shortage. By building continuously, housing companies can maintain their competence as property developers.

One challenge is to keep down construction costs so that homes are affordable for those on an average or low income. Improved competition is needed within the construction and building materials sector while all stakeholders must play their part and work together: the central government, municipal authorities, the construction and property industries and also industry and interest organisations.

HOUSING SURPLUS AND SHORTAGE IN WEAK MARKETS

A surplus of homes is often a problem in weak markets. Although renting these to refugees can temporarily alleviate the situation, there will still be a surplus of homes in the long-term. Some housing companies will need to demolish buildings and write down the value of their

properties, which will lead to great difficulties in respect of their financial viability.

The high proportion of elderly people and lack of suitable homes represent a great challenge in these districts. The long-term task is thus 'smart shrinkage'; i.e. retaining and developing welfare and quality of life despite a falling population.

Despite the long-term surplus of homes, there is often a need for new centrally located housing suitable primarily for elderly people but also to retain younger people who want to work within, for example, the service professions. Housing companies often find it difficult to get loans for building new homes or carrying out renovation work or energy improvements owing to the banks' risk assessment, even with municipal guarantees. Furthermore, it generally costs more to construct new buildings in these districts than the theoretical, estimated market value of the property in the new building, which requires a significant write-down and ensuing negative impact on the company's result.

All-in-all, the increasing number of vacant dwellings is a long-term problem for housing companies in weak markets. Housing companies are already finding it extremely difficult today to finance the renovation work and the limited construction of new housing required to ensure the welfare of residents and that owners thus often regard as necessary.

REGIONAL COOPERATION IS INCREASINGLY NECESSARY

Regional cooperation is increasingly important, although its content changes depending on the nature of the region. Cooperation is required in growing regions to ensure access to good and affordable dwellings throughout the region, combat segregation and establish a functioning regional housing market. Municipalities in the region must work together and evenly share the responsibility for construction work.

Public housing companies need to collaborate across municipal borders in regions with weak markets to help enhance the region's attractiveness and growth. Different forms of cooperation also benefit the smaller companies competence resources.

In many cases, regional cooperation may mean that adjacent municipalities form joint companies for all or parts of the housing companies activities.

A DIFFERENTIATED SUPPLY OF HOUSING

The provision of housing is not just about quantity. The housing stock must also have properties that meet the needs and demands of an increasingly diverse society. This requires homes and types of building and tenure with properties that appeal to different groups and individuals. Housing must be attractive and affordable. It should be durable, offering good accessibility, general usability and flexibility. Developing new forms of tenancy makes it possible to address changes in needs and demands.

A mix of types of building, tenure and occupancy can be created through the strategic construction of new housing, the purchase and sale of properties, conversions to tenant-owner and direct-owner apartments in some locations, and also by improving properties to achieve different levels of standard. This achieves greater diversity and freedom of choice while starting to break down the historical link between type of building and form of occupancy. Offering rent-to-buy homes may be of interest in some cases.

LIMITED ENVIRONMENTAL IMPACT

The public housing sector can promote environmental sustainable development in several ways, reducing the environmental burden. Most of the energy used by housing companies is used to heat the buildings. This energy is derived to a large extent from district heating, which represents an efficient form of energy supply and makes it possible to reduce emissions of climate-impacting carbon dioxide.

There needs to be a further reduction in energy use, both through measures at the properties and by changing the behaviour of tenants and employees. In some cases the housing company may be able to generate its own renewable electricity. Green roofs can be created when new housing is constructed and sometimes in the course of conversion work. The impact on the climate can be reduced by constructing buildings from timber and switching to small-scale local production. Uniform systems to request and use recycled materials when constructing new housing should be developed through industry cooperation. It is important for there to be spaces in the residential area that can absorb water and for the presence of impermeable surfaces to be minimised.

It is also important to preserve, strengthen and compensate ecosystem services in order to, among other things, contribute to biological diversity, which is particularly important in towns and cities. 'Ecosystem services' means services provided by nature and on which people are directly dependent, such as access to oxygen, wood raw materials and clean water, insects pollinating useful plants, circulation of nutrients and seed shed and also opportunities for outdoor activities and aesthetic values.

PUBLIC HOUSING COMPANIES CAN CONTRIBUTE TO GROWTH AT THE MUNICIPAL AND REGIONAL LEVEL BY:

REASONABLY PRICED HOMES FOR EVERYONE

- Ensuring access to good, secure and affordable rental housing, thereby enhancing the preconditions for attracting and retaining companies, labour and students.
- Working to increase competition in the construction and building materials markets and rationalising construction by allowing the entry of smaller stakeholders and foreign undertakings, longer series and the industrialisation of construction work.
- Increasing freedom of choice and promoting integration by creating a differentiated supply of rental housing to suit both households with limited finances and wealthier households.
- Making lifecycle calculations prior to investments to consider all costs and income arising during the life of the building, thus enabling aware and wise investment decisions over the long term.
- Allowing the cost of property maintenance to be distributed over a period of time; i.e. charged via the rent and reserved instead of being postponed and hit future tenants.
- Freeing up homes suitable for families with children by addressing the need for homes and types of building and tenure for elderly people.

REGIONAL COOPERATION

- Cooperating with public housing companies in the region with a view to sharing qualified competence and resources and thereby making the provision of human resources easier and reducing costs.
- Cooperating with public housing companies in the region during procurement to bring down construction prices.

LIMITED ENVIRONMENTAL IMPACT

- Choosing materials that have a limited impact on the climate and environment. Keeping construction and demolition waste to a minimum and sorting at source for recycling. Documenting the materials incorporated into buildings and phasing out dangerous substances.
- Building and renovating so that buildings become energy efficient with a low power requirement and the energy used has low carbon dioxide emissions and high resource efficiency.
- Cooperating with district heating suppliers and working to generate as much district heating as possible from renewable fuels.
- Reducing greenhouse gas emissions by increasing the proportion of energy from renewable energy sources such as, for example, the sun and wind.
- Changing the housing company's own transport to climate smart vehicles fuelled by renewable energy.
- Becoming certified according to an environmental management system to ensure that environmental issues in the operation are managed in a methodical and professional way.
- Conducting life-cycle analyses during the construction of new buildings to get an overall picture of the total environmental impact.
- Reducing the negative consequences of climate change through local analyses, including the location and design of buildings, ground conditions, proximity to watercourses, risk of landslide, flooding, damp and mould damage, cracks and leakage, etc.

THIS NEEDS TO BE DONE TO ENABLE THE PUBLIC HOUSING SECTOR TO SUCCEED IN ITS PUBLIC MISSION

Several measures need to be taken, not only by the public housing companies themselves, but also by the housing sector, municipal authorities and the state, to enable the housing companies to succeed in their public mission and be of real use both today and in the future.

What the housing companies need to do

DEVELOP RIGHTS OF TENANCY

Continue to strengthen tenancy rights as an attractive and competitive form of occupancy. Find out how people want to live and use their homes and also what they are willing and able to pay. Develop new offerings and business models in cooperation with housing researchers, through internal development projects and also by exchanging experiences and making comparisons with other housing companies and the housing sector as a whole.

STRENGTHEN THEIR OWN LONG-TERM FINANCES

Housing companies should be able to cope financially with the possible stresses involved in the course of new building and renovation work. Furthermore, they should be able to deal with any changes to the conditions for the cost of capital. This requires a sound and long-term financial balance. A sound operating profit can reinforce solidity (the proportion of total capital that is equity).

BRING CONSTRUCTION PRICES DOWN

A very large number of new homes need to be built and renovated from now until 2030. Construction prices must be brought down during procurement so that the rent levels for the homes being built make them affordable for people on average or low incomes. To this end, housing companies need to strengthen and broaden their own procurement competence and collaborate with other public housing companies.

DEVELOP A DIGITAL STRATEGY

Digitalisation will continue to radically affect all sections of the companies for several years. It will also affect their relationship with tenants, who will soon take it for granted that digital services can optimise their daily lives and homes. Progress is fast and it is important for housing companies to provide the digital infrastructure required and act as facilitators for tenants. Significant resources are required to develop services, and collaboration between housing companies and similarly a common standard interface would make this significantly easier. Potential risks associated with digitalisation need be kept to a minimum, and there must be alternatives for tenants who have not yet mastered digital technology.

INCREASE AND BROADEN THE COMPETENCE OF COMPANY EMPLOYEES

The long-term provision of competence is a critical issue for every company. Competent and motivated employees are essential for having satisfied tenants and developing housing of the future. The technology in the properties is becoming increasingly complex while there is a growing demand to give individual tenants choices and to treat them well. Digitalisation, automation and new business models will change organisational and working methods. It is important for employees to develop their technical, financial and social competence to enable the public housing sector to continue to contribute to the building of society. It is also important to clarify and communicate the company's core principles. Taken together this will help to make the public housing sector an attractive employer that both retains existing employees and attracts new ones.

REPORT RENTAL POLICY CLEARLY

Housing companies need to formulate and clearly report on the rental policy being applied, both in terms of the allocation of vacant apartments and requirements imposed on new tenants. Transparency and consistent application are essential for housing applicants and others living in the municipality to trust the company.

TAKE THE STEPS NECESSARY TO PUT THE HOUSING RENTAL MARKET IN ORDER

Housing companies need to react quickly to all signs of deviations, conduct checks when concluding agreements with new tenants and survey irregularities in their own stock. It is also important to act consistently in relation to unlawful subletting and build up contacts with public authorities to combat the black rental market. Clear and transparent routines are also required for dealing with tenants' requests to sublet an apartment.

What the housing sector needs to do

SAFEGUARD FUTURE RECRUITMENT FOR THE HOUSING SECTOR

There are currently more people retiring than young people entering the labour market, and extensive recruitment activities are required to ensure the availability of competent employees. At the same time, competition for labour is becoming tougher. It is essential for the housing sector to demonstrate that the work is meaningful and offer good working conditions and career paths to attract more people. Although initiatives made by individual companies in the area are important, cooperation across the sector is also required. To attract young people it is also necessary to cooperate with education and training institutions and influence them so that courses convey the knowledge required by the housing sector. The sector also needs to become better at offering work placements for various professions.

INTRODUCE SYSTEMATIC RENT SETTING

Properly functioning rent-setting is essential to economically sustainable development. It is important that the location of a dwelling and attractiveness of the area have an impact when rents are set and likewise qualities such as environment, service and maintenance. Local parties need to cooperate so that rents are set to correspond to tenants' evaluations of the varying utility values of apartments. Similar apartments should have similar rents, regardless of owner, while differences in utility value should correspond to differences in rent. Systematic and transparent rent-setting creates fairness between tenants. It also promotes the development of tenancies as a form of occupancy by making it easier to price a more varied range. The housing sector should contribute to the production of official rental statistics to further increase transparency and consumer power in this area.

DEVELOP AND IMPROVE THE RENT NEGOTIATION SYSTEM

There is huge value in the market stakeholders themselves shaping the setting of rent without state involvement or regulation, although this also requires a fair balance between the parties. Collective rent negotiations are an effective way of simultaneously adjusting the rents for a large number of dwellings, but presuppose that the parties are willing to agree on a result that both perceive as acceptable. The parties themselves can make rent negotiations more efficient, among other things through structured preparation and dialogue, by introducing a time limit within which negotiations should be conducted and by establishing arbitration proceedings for the entire rental market. The continued role of a tenancy tribunal during a dispute should be to decide on a reasonable rent for an individual apartment through a utility value comparison.

What the municipal authorities need to do

PURSUE AN ACTIVE HOUSING POLICY

According to law, municipal authorities must create preconditions for everyone in the municipality to live in good homes. Municipal authorities should clarify the objectives, means and ambitions of their housing policy in their housing provision guidelines. Municipal authorities are also responsible for the planning and other measures required for the construction of new housing. Municipal authorities need to have long-term plans for housing supply and actively work on land and planning issues so that there is always a sufficiently large reserve of land ripe for development for various housing projects. Municipal authorities should ensure in land transfer agreements that there is a variety of forms of occupancy, both in new areas and during infill development.

GIVE PUBLIC HOUSING COMPANIES CLEAR AND LONG-TERM OWNER DIRECTIVES

The municipal authorities' responsibility to provide housing includes, among other things, deciding whether the municipal authority should own a housing company and, if so, the mandate of this company. Each municipal authority that owns a housing company should clarify in its owner directive the purpose of the ownership and the benefits that the company is expected to bring to the municipality and its residents. The owner directive should be produced in consultation with the company and deal with fundamental issues concerning the focus of the activity, ecological, economic and social points of departure and also the dialogue and cooperation that will take place with different parts of the municipal authority.

DEVELOP DIALOGUE AND COOPERATION WITH THE HOUSING COMPANY

Housing companies are one of the municipal authority's most important tools not only for assuming its responsibility to provide homes, but also for developing vibrant and safe neighbourhoods. This presupposes an ongoing dialogue between the municipal leadership and the company and trusting cooperation between the housing company and municipal administrations with particular responsibility for social services, schools and the environment.

ENSURING BUSINESS-LIKE RELATIONSHIPS

Under the *Allbo* Act, municipal authorities need to ensure that the financial relationships between the municipal authority and the housing company are business-like and transparent. Municipal authorities may not afford their own housing companies any special advantages or disadvantages. Municipal authorities should set a required return for the company, adjusted to conditions on the market, and charge a market fee if the municipal authority provides guarantees for the company's loans in order to avoid any risk of distorted competition with private landlords. The municipal authorities are ultimately responsible for those staying in the municipality getting the support and help they need, which presupposes cooperation with both the public housing sector and private landlords in the district. However, municipal authorities cannot require housing companies to make unprofitable investments; social housing measures that are not commercially justified may be financed by the municipal authorities instead. Any surplus arising in the company should remain there and be used for consolidating finances, investing in new building projects and conversions and for future maintenance work.

What the state needs to do

FORMULATE A LONG-TERM SUSTAINABLE HOUSING POLICY

Building and managing residential housing are long-term activities. The buildings being constructed should be of use for several generations ahead. Investment and lifecycle calculations, including risks assessments, need to be made before any decision is made to construct a new building. Temporary solutions, rules and regulations create uncertainty and doubt among all property owners and risk making the rental market complicated from a consumer perspective. It is therefore important that any rules and regulations issued by the parliament and the government that affect investment calculations and rental conditions are stable and sustainable in the long-term, which presumes broadly supported political agreements. There should be a reduction in the level of detail of rules and regulations. Housing policy needs to emphasise the provision of housing as a very important public interest. The tax system needs to be reviewed to avoid taxes driving up prices in the housing market.

PROVIDE EQUAL ECONOMIC CONDITIONS FOR ALL TYPES OF OCCUPANCY

Rental properties are currently at a financial disadvantage. The tax framework – including the right to deduct interest on debt as well as repair, alteration and extension measures – has resulted in an imbalance between the various forms of occupancy. Equilibrium must be reinstated to enable a sufficient number of new dwellings to be built. The State should remain neutral to a person's choice of housing. Households should be free to choose their form of occupancy without having to consider the government's tax and grant rules. The various forms of occupancy – tenancy, tenant ownership and private ownership – differ in several ways, both legally and financially, and it is thus impossible to achieve complete neutrality. However, several measures may be taken to create a reasonable equilibrium, focussing on individual housing consumers. The introduction of a low rate of VAT on housing rents, the possibility of deductible provisions for future property maintenance work, the abolition of municipal real estate charges for buildings with rental dwellings and extending the support for repair, alteration and extension to include also rental housing would together result in more conditions for economic equilibrium. In the longer term it is important that this issue will be in focus in future investigative work about reforming the tax system.

PROVIDE FINANCIAL SUPPORT FOR LOWER INCOME HOUSEHOLDS

As part of general welfare policy, the central government needs to provide financial support enabling households in a precarious financial situation to request good homes with adequate space. The formulation of state support needs to be reviewed so that it suits today's household types, raising levels to correlate with current rent levels. Support also need to be formulated so that it does not dent the interest of households in increasing their income from work or help to drive up construction costs and thus rents.

FACILITATE PUBLIC SUPPORT IN WEAK MARKETS

Housing companies in weak housing markets – approximately one in three Swedish municipalities – have financial difficulties as a consequence of a falling population. An increasingly elderly population means that more accessible homes are required and there is a need to create types of building and tenure adapted for elderly people. This situation requires special measures. EU State aid rules concerning economic services of general interest give municipalities the opportunity of supporting housing companies, provided there is a strong general interest in having homes in the district and these cannot be provided on normal market conditions. There is a requirement for Swedish rules and regulations to clarify how municipalities can make use of these opportunities. Furthermore, the existing rules and regulations on government support for relief and restructuring of municipal housing companies need to be conformed with the state aid rules. They also need to be supplemented with government support opportunities for municipalities in weak markets for housing services of general interest.

SAFEGUARD THE PROVISION OF COMPETENCE

The central government has the ultimate responsibility for there being courses and study programmes to address the needs of society. The construction and housing sector has an urgent need for manpower and there is thus a need for sector-oriented courses at upper secondary schools, within higher vocational education and at universities. More people than today need to work on constructing homes to be able to build the large number of new homes required in Sweden. There is a need for more staff with the right competence at municipal authorities, construction companies and housing companies. The central government must assume responsibility for implementing the training activities required to recruit competent staff at all levels of planning and building processes.

INCREASE SUPPORT FOR RESEARCH INTO HOUSING AND SUSTAINABLE CONSTRUCTION

Research into homes, living conditions and residential environments has reduced in recent decades. Knowledge about how different households use their homes and their living conditions needs to increase to enable us to design the homes and residential areas of the future to the best of our ability and to meet the increasingly great diversity of needs and desires. Government support needs to be increased for research into how people live and use their homes and their immediate residential environment and also the needs and housing preferences of different households. There is also an increased need for research into how we should build and design homes and neighbourhoods, considering the environmental, economical and social dimensions of sustainable development.

THE PUBLIC HOUSING SECTOR MOVING TOWARDS 2030

– A CONCEPT PROGRAMME

The public housing sector should contribute to the quality of peoples' lives by offering rental housing, including freedom of choice and influence, improving wellbeing by creating good housing environments and also promoting growth in municipalities by satisfying the demand for rental housing – always guided by long-term environmental, economic and social sustainability.

Changes in the housing market and the wider world are creating new challenges for the public housing sector. In addition to its core activity – building and managing rental dwellings for everyone – the public housing sector needs to develop its role as a community developer and facilitator.

To support this work, SABO, the Swedish association of public housing companies has produced a concept programme in dialogue with its member companies, entitled *The Public housing sector moving towards 2030*. This programme should be a source of inspiration for our member companies' strategic planning to develop their companies and housing, based on their local preconditions, and also provide support during dialogue with the owner municipality. This concept programme also indicates what the collective public housing sector in Sweden currently represents and its direction. It was adopted by SABO's Congress in April 2017.